



## **MANAGING CONFLICTS OF INTEREST**

It is not possible to develop a prescriptive policy to deal with each and every situation where a conflict may arise so it is important that there be instilled and accepted within the Company and its operations, at board and senior management level, a culture of compliance, integrity and general fairness that seeks to:-

- a) identify potential or actual conflicts between the interests of the Company and its various stakeholders;
- b) disclose any such conflicts to the board and senior management;
- c) where possible, take all necessary steps to avoid the conflict;
- d) if any conflict cannot be avoided, ensure that the conflict is managed openly and fairly in a manner that does not adversely affect others, particularly shareholders;
- e) advise shareholders of any conflict and how it has been or will be dealt with; and
- f) where necessary, call a meeting of shareholders to enable them to vote on any issue which has the potential to materially adversely affect them or to materially advantage the Company at the expense of other stakeholders.

### Controlling conflicts of interest

Conflicts will be controlled by:

- i) identification of any conflicts of interest;
- ii) assessment and evaluation of those conflicts by the board of directors;
- iii) determination and implementation of appropriate responses to those conflicts bearing in mind that shareholders' interests must be protected at all times and all shareholders treated equally;
- iv) disclosure of those conflicts to affected parties, if appropriate, by holding a general meeting of shareholders;
- v) minuting of the board's deliberations and review of those deliberations at the next following board meeting; and

- vi) designation of a director responsible to ensure effective implementation of measures agreed upon.

#### Avoiding conflicts of interest

The board of directors and management shall, as far as possible, avoid placing themselves in a position where there is a material conflict between their own interests and those of shareholders.

Where a conflict or potential conflict is recognized, a written record shall be made of the particular conflict and any action taken.

Where shareholders have been notified of a conflict or potential conflict, copies of written disclosure to members will be retained and available for scrutiny by the ASIC or ASX.

#### Disclosing conflicts of interest

Shareholders will be informed of any conflicts of interest that may affect them.

Such information will be adequate to enable members to consider the impact of the conflict, if any. It will identify the parties and relationships that stand to benefit and any advantages and disadvantages to shareholders.

If necessary, a general meeting of shareholders will be held where shareholders can seek further information and express their views.

#### Dissemination

This memo shall be distributed to all directors, company officers and senior management who will familiarize themselves with and adhere to the spirit of the policy by, where appropriate, identifying conflicts or potential conflicts, avoiding conflicts wherever possible and where a conflict is identified, immediately reporting that conflict to the chairman.